

NEPCon Policy on Auditing during COVID-19 Outbreak

NEPCon is committed to taking responsible action and implementing all necessary measures to safeguard peoples' health and lives, while aiming to have as little disruption as possible with ongoing assurance activities.

19 August 2020

In consideration of the COVID-19 outbreak, we have given careful attention to how we can best safeguard against the impacts of the virus, while protecting the integrity and credibility of the certification systems we work with.

We believe the credibility of the schemes and related claims remain relevant during this period. We invite all clients, partners and stakeholders to collaborate on ensuring this.

This policy explains NEPCon principles in relation to our assurance and certification activities during the global outbreak of COVID-19. Due to the obvious uncertainties and fast-paced changes, we will be reviewing and updating this policy as appropriate.

NEPCon Corona Risk Approach

NEPCon is using a risk-based approach with an aim to safeguard health and to limit the spread of COVID-19.

NEPCon realises that the situation can change rapidly and is constantly monitoring information to update the risk level and adjust procedures if needed.

The risk classification is linked to the guidance given in the table on the next page. We understand that even at the most local level there are unique factors that may impact decisions on how audits proceed. Guidelines for our local audit planning teams allow adaptation to ensure the safest and most credible decision is being made.

Guidance on Risk Classification

Description

Measures

LOW RISK

- No or only few isolated recent cases of COVID-19 reported and no sign of rapid spreading within the country or region.
- No official guidance to close (or keep closed) schools, cinemas, universities; avoid gatherings of bigger groups, etc.

- Onsite audits proceed with additional safety measures in place.
- No physical contact with people (e.g. shaking hands).
- Maintain minimum physical distance between people at audit sites of at least 2 metres/6 feet.
- Diligence with personal hygiene, including washing hands on regular basis, using hand sanitiser, and avoiding touching one's face.
- To limit time spent in onsite meetings, conduct documentation review in advance of the audit as much as possible.
- Use local auditors where possible with the safest and least amount of travel required, limit public transportation where possible, avoid international travel as much as possible.
- Take measures to reduce interactions in the community as much as possible, including not going to restaurants, fuel stations, hotels.
- Use NEPCon staff auditors where possible.
- No use of auditors who are showing signs of illness or who have knowingly been exposed to ill people within the last 14 days prior to the audit.
- No use of auditors that have been in "RED" zone within the last 21 days.
- If auditors have been in "YELLOW" zone within last 14 days prior to audit, the measures under "YELLOW" will be followed during the audit.

MEDIUM RISK

- COVID-19 continues to spread beyond isolated cases within the country or region.
- Official guidance against bigger events, there is continued closure or restrictions on in-person attendance to schools, universities, etc.
- The guidance may recommend people to stay inside, social distance or limit business meetings.
- International borders may be closed, preventing qualified auditors from traveling to the country.

- Same measures for onsite audits as under "GREEN" supplemented with following additional measures.
- Where local conditions include specific risks and/or we do not have a local auditor that can safely travel, onsite audits may be fully or partially replaced by a remote audit depending on type of audit. See more information on the next page.
- Agree on specific safety precautions with the client in advance of onsite visit.
- Conduct meetings/discussions in well-ventilated space while wearing face masks.
- When driving is required as part of the audit site visits, use separate vehicles if feasible.
- Limit movement during onsite audits when it does not significantly affect the audit credibility (e.g. reviewing documents in one place rather than visiting each person's workplace).
- Avoid regular touching of surfaces and objects onsite. Carry disinfectant and practice frequent handwashing/disinfecting.
- Use a projector or separate screens when reviewing digital information to avoid close proximity between the auditor and the company representative.
- For records and evidence review, give preference to digital information that can be shared via above means rather than physical handling of records.
- Limit the number of physical participants for opening, closing and stakeholder meetings. Consider options for remote participation.
- Avoid interviews with staff and stakeholders with higher health risk, including elderly people and people with existing health conditions.

HIGH RISK

- Official requirement to stop non-essential business activities and stay inside.
- Clients may have temporarily closed facilities due to COVID-19.

- Postpone audit until companies restart activities
- Where allowed and business is operating, the audit may be replaced by a partial or fully remote audit, depending on the type of audit and scheme owner requirements.

NO DATA

- No current impact on NEPCon auditing practice. All required audits in the country have been completed and/or NEPCon does not have clients in the country.

These colours represent the general situation in a country, but there may be local differences that justify either a stricter or a more relaxed approach.

NEPCon Audit Process for Fully or Partial Remote Audits

While realising that national or scheme specific guidance may introduce exceptions, we are generally taking the following approach in countries classified as YELLOW risk, and when possible, in RED zones. These procedures may also be used in exceptional cases for GREEN zones, when travel restrictions hinder the auditor's ability to conduct an on-site audit.

NEPCon is using a risk-based approach to determine when an on-site audit can be replaced by a remote audit or should be postponed until a later date.

NEPCon is making every effort to keep our risk designations up to date based on official information for each country. When it is considered safe to travel and hold meetings again, we will resume our normal onsite audit planning in countries changing from high and medium risk designations (RED/YELLOW) to low risk (GREEN).

When does a fully remote audit take place?

- 1 It is allowed by the certification scheme.
- 2 Majority of the requirements, including open non-conformances, can be evaluated remotely, at least initially. This is typically the case in a situation where the facility is covered by good internet connection and the scheme does not require field visits (forest or farm). We realise that in most cases it is not possible to conduct a remote audit with equal coverage and credibility to an onsite one. For each scheme and situation, we identify the areas that are challenging or not possible to be verified remotely and will place a special focus on these during the next regularly upcoming on-site visit.

Chain of Custody audits will typically be conducted as a **full or partial remote audit**, while **forest, farm and tourism audits** will be conducted as a **partial remote audit**. Companies sourcing FSC™ (Forest Stewardship Council™) Controlled Wood and SBP (Sustainable Biomass Program) Supply Base Evaluation with specified risks, will normally require a partial remote audit.

A **fully remote audit** will replace the annual audit. A **partial remote audit** is an audit split between an initial remote audit, and an onsite audit. The remote audit will take place according to the same time as the normal annual audit, while the onsite audit will be scheduled when the risk level decreases to GREEN or YELLOW.

Fully remote audit



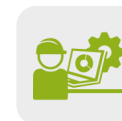
The auditor will conduct the audit remotely using Skype, WhatsApp or other platforms to communicate with the client.



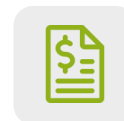
The audit will include document review as well as remote interviews with staff from the operations.



The client is expected to be able to "share screen" to enable the auditor to evaluate online information.



The auditor may also ask the client to have a live video feed to show the facilities and/or share pictures.



In terms of pricing for remote audits, NEPCon will exclude any direct travel expenses, which will not be applicable.

Partial remote audit



First, an initial remote audit as described above will be conducted.



This will be followed by an on-site audit when the situation improves, with focus on evaluating requirements that could not be evaluated during the remote audit, triangulating evidence, and conducting facility/field visits.

About NEPCon

Founded in 1994, NEPCon is a non-profit organisation working to support better land management and business practices that benefit people, nature and the climate in over 100 countries.

www.nepcon.org



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